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Effect of Implementation Strategy on Sustainable Revenue Collection of Kenya Revenue Authority North Rift Region.

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of 386 KRA employees from 3 KRA stations in north rift region (Eldoret, Lodwar and Kitale). The study sampled 191 respondents using simple random sampling method. Data was collected using questionnaires. After data collection, the data was coded, organized and edited to remove any inconsistencies, repetitions or errors then data analysis was done with the help of Statistical Package for Social Sciences (SPSS) version 24. Descriptive statistics and inferential statistics were used to analyze data. The results of the study was presented using tables and figures. The results revealed that there an effect of implementation strategy on revenue collection at Kenya Revenue Authority. The study findings would be beneficial to the government in relation to policy making and strategy formulation in line to its expectations from KRA as an institution. Equally, the findings of this study would enrich existing knowledge and hence would be of interest to both researchers and academicians who seek to explore and carry out further investigations. The study recommended that KRA should adopt appropriate communication strategy in order provides relevant information and adequate motivation to impact on attitudes and behaviors of individuals or groups of people.

Abstract

Tax is a significant contributor to the growth of the economy, however tax legal policies and processes present snags in administering and compliance among KRA and tax payers. Moreover, it is this complexity that has created loop holes resulting in significant revenue leakages. The study aimed at determining the effect of implementation strategy on revenue collection at Kenya Revenue Authority. The research was guided by the Theory of Constraints. It adopted a cross-sectional survey design which is analytical in nature. The study targeted a population

1.0 Introduction

In the world across the revenue collected may be affected by various factors; One of the key factor is corruption (Imam & Jacobs, 2012). Globally, challenges related to the taxation of multinational companies have increased the political pressure to strengthen the international rules of cooperation in corporate tax matters (Cabos, 2012). Following the crisis and the increased revenue needs, the OECD proposed an action plan against base erosion and profit shifting to reinforce the current international tax rules and stabilize national tax bases. The OECD project focuses on the interaction of different (national) tax rules and tries to detect and close loopholes in the current setup (Sadiq, Kerrie & Coleman, 2013). The EU fully supports the on-going OECD work in this area and many of the issues addressed by the OECD are of relevance also within the EU and are important for the international competitiveness of the EU enterprises as well. Also, the EU plays an important role in addressing these

questions as it is one of the largest economic players in the world.

In Africa, performance measurement has significant influence in supporting the achievement of an organization's goals and the effectiveness and efficiency of its strategic planning process. Thus, in order to assess the level of success or otherwise of a corporate body, its established strategic plans in connection with the performance of the company in all fronts of operations had to be established. Authors Ouakouak & Ouedraogo (2013) asserted to the positive correlation between strategic planning and performance achievements as very beneficial for organizations. In their studies Wairimu, & Theuri (2014) further emphasized the need for organizations to align their strategies with their performance measurement systems.

In Kenya the Kenya Revenue Authority (KRA) was established by an Act of parliament, Cap. 468 of the laws of Kenya, which became effective on 1st July 1995. The Kenya Revenue Authority was established

for the purpose of enhancing the mobilization of government revenue, while providing effective tax administration and sustainability in revenue collection. In particular, the functions of the Kenya Revenue Authority are to assess, collect and account for all revenues in accordance with the written laws and the specified provisions of the written laws, advise on matters relating to the administration, and collection of revenue under the written laws or the specified provisions of the written laws, and perform such other functions in relation to revenue as the Minister may direct. In order to achieve these objectives, the organization structure has been divided into five departments namely; Corporate Support Services, Customs Services, Domestic Taxes (Large Taxpayers' Office), Domestic taxes (Small & Medium taxpayers' Office), Technical Support Services and Investigation & Enforcement Department (Kenya Revenue Authority, 2015).

The KRA has faced daunting challenges since its inception. These include poor operating procedures, undocumented internal business processes, and lack of a service ethos across all customs management levels, adversarial relationship between custom and businesses, insufficient or inefficient supporting infrastructure, and lack of a facilitation culture in other government departments, corruption and illicit trade. However, despite these challenges, the Authority has evolved into a modern and fully integrated revenue administration agency.

To address the looming challenges, KRA has developed a three year blueprint dubbed Vision 2018 which consists of 12 specific and measurable Performance Indicators. To further underpin the initiative, they have commenced the process of changing the tax compliance approach to focus more on customer facilitation rather than the traditional enforcement. This re-orientation will focus on building trustful relationships internally (amongst staff) and externally (with citizens) as the key driving forces to sustain tax compliance enhancement in the long term. The new approach forms the basis for the Sixth Plan's theme namely, 'Building Trust through Facilitation so as to enhance Tax Compliance'. Another element is the revision of the Corporate Vision and Mission statements and Core Values. The new Vision Statement seeks to capture KRA's pivotal role in Kenya's transformation in line with Vision 2030.

1.2 Statement of the Problem

Despite considerable growth in revenue collection, KRA has had to make stringent decisions in order to match the revenue targets given by the treasury. Among these decisions including but not limited to raising enforcement levels to non-compliant taxpayers which includes arrest and confiscating properties, freezing of bank accounts, reintroduction of new tax obligations such as CGT, which saw

KRA face serious court battles with taxpayers, introduction of withholding VAT, tax on foreign income and rental income tax obligation among other measures to try meet the pressure of revenue targets given by government.

Accordingly, IMF reports that Kenyan GDP growth has been consistently growing for the past 4 years from USD50.4billion in 2012 to USD68.9billion in 2016 a development which should be reflected by and large in revenue growth, GDP to tax rates dropped from 8.4% in 2010 to 5.3% in 2015. According to ICPAK Fiscal Analysis (2015), Kenyan Tax revenue to GDP still remains low at 15.3% compared to Swedish counterparts whose rate stands at 25% and are now global best practice in adopting corporate planning techniques in improving revenue collection.

It's from the basis of this rationale that there has been serious conversation within the authority to depart from traditional focus to revenue mobilization to the one that focus on corporate planning a move which ensure seamless flow of information from Authority to staff and to the taxpayer through efficient Communication, Implementation and Evaluation of performance. For this reason, there was a need to study the effect of corporate planning on revenue collection.

Specific Objectives

- i. To assess the effects of Implementation Strategy on revenue collection at Kenya Revenue Authority.

Research Hypothesis

Implementation strategy has no significant effect on revenue collection at Kenya Revenue Authority.

2.0 Literature Review

Theoretical Review

The Theory of Constraints

The theory of Constraints as Proposed by Goldratt in 1984. The theory states that every system is subject to at least one constraint, which prevents the system from achieving infinitely high levels of performance. For the system that is a corporation, the often unidentified constraint prevents it from achieving infinite profits, just as a chain's weakest link limits the chain's capacity to transmit force.

The assumption of the theory describes the need to ensemble activities aimed at elevating the outcomes of any system, especially a business system, with respect to its goal by eliminating its constraints one by one and by not working on non-constraints. The underlying premise of the theory of constraints is that organizations can be measured and control variations on three measures: throughput, operational expense, and inventory. Throughput is

the rate at which the system generates money through sales. Inventory is all the money that the system has invested in purchasing things which it intends to sell. Operational expense is all the money the system spends in order to turn inventory into throughput.

Another assumption states that before the goal itself can be reached, the necessary conditions must first met. This typically includes safety and legal obligations. For most businesses, the goal itself is to make money. However, for many organizations and non-profit businesses, making money is a necessary condition for pursuing the goal. Whether it is the goal or a necessary condition, understanding how to make sound financial decisions based on throughput, inventory, and operating expense is a critical requirement including buffers. Buffers are used throughout the theory of constraints. They often result as part of the exploit and subordinate steps of the five focusing steps. Buffers are placed before the governing constraint, thus ensuring that the constraint is never starved. Buffers are also placed behind the constraint to prevent downstream failure from blocking the constraint's output. Buffers used in this way protect the constraint from variations in the rest of the system and should allow for normal variation of processing time and the occasional upset before and behind the constraint.

Critique of the theory states that TOC does not take employees into account and fails to empower them in the production process. This meant that employees could not be part of an enterprise's challenges directly or indirectly. According to Nava, employees play a bigger role in causing enterprise failure. This comes in by understanding two things: the type of activity to be conducted and qualifications of the employees. Lack of employee training, academic under qualification, physical disability, ignorance, and misuse of property, funds or even mismanagement of employees as a possibility of being enterprise operational risk factor. He also states that TOC fails to address unsuccessful policies as constraints (Nave, 2002). This theory is relevant to the study as it supports the second objective on Effects of Implementation Strategy. In relation to the study on influence of corporate planning on revenue collection subject to at least one or more than one challenge which prevents attaining its target performance. Given the often unidentified challenges in revenue collection, systems should be tackled as illustrated under the independent variables which include: communication strategy, implementation strategy and evaluation strategy which are strategies that Kenya revenue authority can use in order to push towards its goals. Kenya revenue authority should

therefore identify strategies that they can use to ensure that they are able to deal with the constraints that face revenue collections and push them to better performance by addressing the constraint.

Empirical Review

This study reviewed previous literature on the effects of corporate planning on revenue collection as follows;

Implementation Strategy

Strategy implementation is an internal operations-driven activity involving organizing, budgeting, motivating, culture building, supervising and leading, to make the strategy work as intended Cater and Pucko (2010). It embraces all the actions that are necessary to put a strategy into practice. These actions are divided into leadership, organizational and functional implementation. Strategy implementation therefore is the sum total of all activities and choices required for execution of a strategic plan. It is the process by which objectives, strategies and policies are put into action through the development of programs, budgets and procedures Zaribaf & Bayrami, 2010).

The first step in implementing a strategy is for the management to communicate the case for organizational change clearly and persuasively to organizational members. This is to ensure that a determined commitment takes hold throughout the ranks, to find ways to put the strategy into place, make it work and meet performance targets.

A well-formulated strategy can only generate a sustainable added value for an organization if it is implemented successfully. Organizations operate in dynamic environments and may react differently to changes. How they adapt determines success or failure of a given strategy. The McKinsey 7 S's model developed in 1980 is widely used in implementation. The seven S's are variables that take into account Structure, Strategy, Systems, Skills, Style, Staff and Shared values. These factors are interdependent and managers should pay proper attention to each one of them to ensure success in strategy implementation.

Strategies help increase accountability enhancement in information systems which measure how inputs are used to produce outputs; watchdog organizations, health boards or other civic organizations to demand explanation of results; performance incentives to reward good performance; and sanctions for poor performance. Enforcement is viewed as any actions taken by regulators to ensure compliance with laws (Zubcic and Sims, 2011).

Government policies and regulations have greatly influenced the flow of business activities and

operations (Hitt, 2011). Where Operating Procedures are not followed that could affect a contract bid or the award process. The strategic plan is a key performance management tool; a corporate vision provides the general direction for the entire organization (Coopey and Burgoyne 2011). It entails transformation in the form, quality, or state overtime in an organization's alignment with its vision and hence suits its external environment (Bartley, 2015). It is important from the conception of 'good governance' that there is some emphasis on improving public sector management systems. Thus the good governance has provided an impetus for new approaches to public sector management reforms. Corporate Planning has succeeded in attracting a good deal of public interest because of its apparent importance for the economic health of corporations and society in general. It is therefore critical to establish the factors affecting revenue collection in the city council of Nairobi as such have not been documented by any of the studies. The main difference between this study and the previous studies is that, they had been concentrating on types of revenue and revenue management while this one is trying to find out the reasons why revenue is not enough to meet the council needs. The term corporate planning strategies have been used in various ways and boundaries of the subject differ widely. In the debate of economics the effects of corporate planning strategies on performance, there are generally two different models of the corporation, the shareholder model and the stakeholder model. Prowse, (2014) states that in its narrowest logic; shareholder model, corporate planning strategies often describes the form system of accountability of senior management to shareholders. In its widest logic; stakeholder model, corporate planning strategies can be used to describe the network of formal and informal relations involving the corporation.

A study done by Maher and Anderson. the Organization for Economic Co-operation and Development Secretariat (1999) shown that corporate planning strategies has got an effect on both corporate performance and economic performance. The study gave a more explicit exposition of the shareholder and stakeholder models of corporate planning strategies. There are underlying factors that promote efficient corporate planning strategies and each corporate planning strategies system has its own strengths, weaknesses and economic implications that are associated with

each. The study provided empirical evidence on the link between corporate planning strategies, firm performance and economic growth. Reilly & Brown (1997) states that corporate planning strategies framework can impinge upon the development of capital markets, innovative activity, entrepreneurship, the development of an active 5MB sector, and resource allocation, which consequently impinge upon the growth of the economy. It impacts upon the behavior and performance of firms. In the current time of growing capital mobility and globalization, corporate planning strategies has become an important framework condition affecting the industrial competitiveness.

Revenue Collection

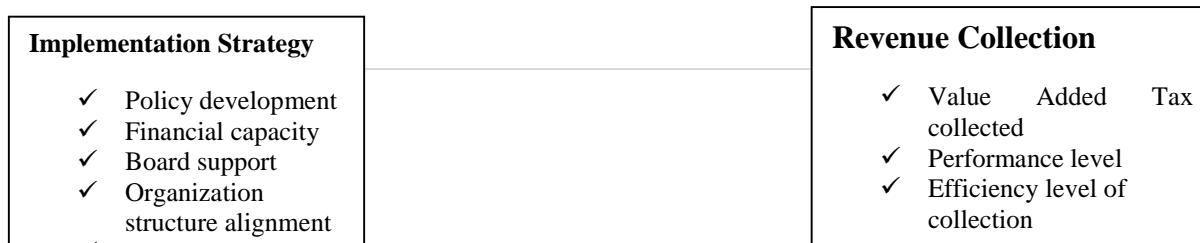
The Kenya Revenue Authority (officially abbreviated as K.R.A.) is the tax collection agency of Kenya. It was formed July 1, 1995 to enhance tax collection on behalf of the Government of Kenya. It collects a number of taxes and duties, including: value added tax, income tax and customs. Since KRA's inception, revenue collection has increased dramatically, enabling the government to provide much needed services to its citizenry like free primary education and Health Services to all. Over 90% of annual national budget funding comes from local taxes collected by the KRA.

Kenya Revenue Authority Act (Cap 469) defines revenue as taxes, duties, fees, levies, charges, penalties, fines or other monies collected or imposed under the written laws set out in the First. Schedule. Revenue collection is the act by which the government collects its taxes. These taxes are PAYE, import duty, excise duty, VAT, Agency Taxes and Exchequer Revenue. The Agency Taxes include Airport Revenue, Petroleum Development Levy, Road Transit Toll, Sugar Level, Traffic Fees, Petroleum Regulatory Levy, Merchant Shipping Fee and Railway Development Levy. Exchequer Revenue includes Stamp Duty and Import Declaration Fees (Krafs 2010).

Conceptual Framework

Conceptual framework shows the relationship between the variables in the study. The concept explains the independent variable and dependent variable which include the corporate planning as the independent variable while the revenue collection is the dependent variable.

Conceptual framework





Independent variable

Independent Variable

Fig: Conceptual Framework

The implementation strategy is discussed based on the following measurable; policy development level, the financial capacity level, board support level, and finally organization structure. The embraces all the actions that is necessary to put a strategy into practice. These actions are divided into leadership, organizational and functional implementation. Strategy implementation therefore is the sum total of all activities and choices required for execution of a strategic plan.

3.0 Research Methodology

The study adopted a cross-sectional survey design which is analytical in nature. Research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure (Kothari, 2014). This design was chosen since it allows the capture of information based on data gathered for a specific point in time. The study targeted 386 employees from the 3 KRA stations selected from North Rift Region.

The target population is shown in table 3.1.

Sample size and Sampling Procedures

Churchill and Brown (2014) noted that the correct sample size in a study is dependent on factors such as the nature of the population to be studied, the purpose of the study, the number of variables in the study, the type of research design, the method of data analysis and the size of the accessible population. Proportionate sampling technique was used to arrive at a sample size of the study which was 191 KRA employees derived using Krejcie & Morgan table (attached in appendix I) derived from formula for finite population which is calculated as:

$$S = \frac{X^2NP(1-P)}{d^2(N-1) + X^2P(1-P)}$$

Where:

S = Required Sample size

X = Z value (e.g. 1.96 for 95% confidence level)

Dependent variable

N = Population Size

P = Population proportion (expressed as decimal)
(assumed to be 0.5 (50%))

d = Degree of accuracy (5%), expressed as a proportion (.05); It is margin of error

The study used stratified sampling technique where the north rift region KRA stations formed strata. Proportionate sampling was used to distribute the sample between stations. The sample per stations was further proportionately distributed between the employees (Commissioners Customs and Border Control officers, Domestic Taxes officers, Investigations & Enforcement officers, Intelligence and Strategic Operations officers, Legal Services and Board Coordination officers, Strategy, Innovation and Risk Management officers). This enhanced distribution, representation and avoidance of bias in sampling.

Research Instruments

The study utilized questionnaires to collect data from respondents. The questionnaire was responded by Employees from the three Kenya Revenue Authority stations in North rift region. A structured questionnaire was developed for this study as it ensured a standardized data collection procedure so that the data obtained are internally consistent and can be analyzed in a uniform and coherent manner.

Validity of the Research Instruments

Validity of research instrument refers to the extent to which the instrument measures what it is supposed to measure whereas reliability of the instrument refers to the degree to which they said instrument consistently measures whatever it is measuring (Zohrabi, 2013).

The research purposed to ensure validity of research instruments by using simple language free from jargon to make it easily understood by the respondents. Validity was tested through availing the research instruments to be used in the study to the supervisors and other specialized lecturers in the field of study in the School to review the test items so as to ensure that they are based on the content area before commencing on the real data collection. The

researcher also intended to seek the opinion of individuals who can render intelligent judgment about their adequacy (Sayer, 2011). The researcher therefore gave to the supervisor and other research experts to ensure that the questions were tested.

Reliability of the Instruments

Reliability of the instrument refers to the degree to which the said instrument consistently measures whatever it is measuring in order to ascertain reliability of the research instruments (Zohrabi, 2013). The researcher piloted the instruments by distributing 20 questionnaires to respondents at Uasin Gishu County Government, which is not part of the area sampled. The pilot respondents represented 10% of the sample size. According to Pallant (2011) when using the Cronbach's Alpha value to test reliability, a value above 0.7 is considered acceptable; however, a value above 0.8 is preferable. The results of the piloted research instruments enabled the researcher to determine the consistency of responses to be made by respondents and adjust the items accordingly by revising the document.

Once the relationship was estimated, it was possible to use the equation:

$$Y = \beta_0 + \beta_1 x_1 + \varepsilon$$

Where X=independent variables: x_1 is implementation strategy

Y = The dependent variable (Sustainable Revenue Collections)

β_0 is a constant while $\beta_1, \beta_2, \beta_3$ are the coefficients of proportionality for communication strategy, implementation strategy and evaluation strategy respectively while ε = Error of margin

4.0 Data Analysis, Presentation, Interpretation and Discussion

Questionnaire Return Rate.

In this study data were collected by administering questionnaires to respondents. Out of the 191 questionnaires administered, 188 were dully filled and returned therefore representing a response rate of 98.4%. According to Bable (1995), a response rate of 70% and above is satisfactory to conduct adequate data analysis.

Validity and Reliability

Data collected from pilot study which was carried in Uasin Gishu County Government were used to test for validity and reliability of research instruments. The validity of the research instruments was determined through the content validity. Content validity was determined using constructive criticism from project supervisor who have an extensive experience and expertise in questionnaire construction. Research instruments were revised and improve according to the supervisor advice and questions.

Piloted data were used to test for reliability using Cronbach's Alpha. According to Pallant (2011) when using the Cronbach's Alpha value to test reliability, a value above 0.7 was considered acceptable; however, a value above 0.8 was preferable. The results of the piloted research instruments enabled the researcher to determine the consistency of responses to be made by respondents and adjust the items accordingly by revising the document. In planning of this research study, appropriate research instrument was chosen. Research instruments were developed carefully to fit the research design and the plan of data analysis so that the data collected to facilitate the answering of research questions. The results of the reliability tests were as shown in the (Table 4.2);

Table 4.1 Reliability Test

Items	Cronbach's Alpha	N of Items
Implementation strategy	0.887	5
Revenue Collection	0.879	3

The study findings indicated that all values of Cronbach's Alpha were above 0.7 giving an implication that the research instruments used for data collection were all reliable. The Cronbach's values for dependent variable; revenue collection was 0.879. The findings imply that the research instruments used to collect the data was reliable as it surpassed the 0.7 threshold for use in research

studies. According to Pallant (2011) when using the Cronbach's Alpha coefficient value to test reliability, a value above 0.7 is considered acceptable.

Demographic Analysis

This part of the questionnaire intended to establish the respondent's personal information. Information

sought included the gender, age, employment period, and education level of respondents.

Table 4.2 Demographic Analysis

Gender	Frequency	Percent
Male	100	53.2
Female	88	46.8
Total	188	100
Age		
18-29 years	40	21.3
30-39 years	110	58.5
40-49 years	23	12.2
50-above	15	8
Total	188	100
Education Level		
Certificate	26	13.8
Diploma	62	33
Undergraduate	71	37.8
Masters	29	15.4
Total	188	100
Employment period		
Below 5 years	26	13.8
5-10 years	116	61.7
Above 10 years	46	24.5
Total	188	100

The results (Table 4.1) show that 51% of the respondents were male while 49% were female. This shows that the opinions of both genders were taken into consideration during this study and that there was no gender biasness. This implies male were willing to give information's about effects of corporate planning on revenue collection as compared to female.

Further from study findings it revealed that majority of the respondents were of age 30-39 years with 110(58.5%), 40(21.3%) of respondents were of age between 18-29 years and 23(12.2%) were between 40-49 years old. However, 15(8.0%) of the respondents were of age 50 and above years. It was important for the study to establish the age of the respondents so as to ascertain the age bracket that is most involved in corporate planning. This implies that the majority of respondents were aged employees who have valid information's on corporate planning on revenue collection at Kenya revenue authority.

Study findings on education level revealed that 71(37.8%) of respondents had acquired university degrees with 29(15.4%) having master's degrees.

This meant that the respondents didn't struggle with answering the questions since they were all versed with the effects of corporate planning on revenue collection at Kenya revenue authority and majority had attained degree level hence understand their work well hence can trace effects corporate planning on revenue collection at Kenya revenue authority.

For the respondents, the participants had diverse number of years in employment period categories that ranged from less than 5 year to above 10 years. The study findings indicated that those who had been employed in KRA between 5-10 years were significantly higher (61.7%). This was followed by those who have been employed above 10 years at 24.5 %, while the least are who have been employed for less than 5 year (13.8%).

Descriptive Analysis

In this section, the study analyzes the specific objectives of the study regarding the effects of corporate planning on revenue collection at Kenya revenue authority, a case study of north rift region. These specific objectives relate to communication strategy, implementation strategy, evaluation strategy.

Implementation Strategy

The study sought to investigate the implementation strategy on revenue collection at Kenya Revenue Authority. The results were analyzed in the table 4.3;

Table 4.3 Implementation Strategy

Statement	N	Mean	Sd
KRA maintains proper up to date policy manual	188	4.31	.754
There are adequate financial resource commitment for implementing strategic objectives	188	4.32	.690
Authority's board and team one are committed to supporting the strategy implementation	188	4.26	.630
Current organization structure is aligned and geared to achieving set strategic initiatives.	188	4.28	.738
Human resource training and development programs adequately support strategy implementation initiatives	188	4.38	.703
Aggregate mean score	188	4.31	0.703

The study results in table 4.4 revealed that respondents agreed that KRA maintains proper up to date policy manual (mean=4.31 and Sd=0.754). The respondents also agreed that there are adequate financial resource commitments for implementing strategic objectives (mean=4.32 and Sd=0.690). Furthermore respondents agreed that authority's board and team one are committed to supporting the strategy implementation (mean=4.26 and Sd=0.630). On the statement that current organization structure is aligned and geared to achieving set strategic initiatives majority of respondents agreed (mean=4.28 and Sd=0.738). Lastly the respondents agreed that human resource training and development programs adequately support strategy implementation initiatives (mean=4.38 and Sd=0.703).

The aggregate mean score 4.31 indicated that there is effect of implementation strategy on revenue collection at Kenya Revenue Authority. This was noted through activities of KRA such as maintaining proper up to date policy manual, availing adequate financial resource and commitment in supporting

implementing strategic objectives through human resource training and development programs which adequately support strategy implementation initiatives. This gives implication that by adopting strategy implementation the organization can organize budget, motivate, build culture, supervising and leading, to make the strategy work as intended to collect revenue. It embraces all the actions that are necessary to put a strategy into practice. The management can communicate the case for organizational change clearly and persuasively to organizational members. This is to ensure that a determined commitment takes hold throughout the ranks, to find ways to put the strategy into place, make it work and meet performance targets. A well-formulated strategy can only generate a sustainable added value for a organization if it is implemented successfully. Strategies help increase accountability enhancement in information systems which measure how inputs are used to produce outputs; watchdog organizations, health boards or other civic organizations to demand explanation of results; performance incentives to reward good performance; and sanctions for poor performance.

Revenue Collection

The study sought to find out revenue collection. The results were analyzed in the table 4.6;

Table 4.4 Revenue Collection

Statement	Total	M	Sd
Efficient flow of information within the authority translates to high revenue collection	188	4.26	.78
Implementing 6th corporate plan helps authority realize high revenue performance	188	4.23	.89
Standardized Monitoring and Evaluation on authority's strategic initiatives helps KRA to increase revenue collection	188	4.33	.89

The study findings revealed that on the statement efficient flow of information within the authority translates to high revenue collection respondent agreed (mean =4.26 and Sd= 0.78). Also the respondents agreed that implementing 6th corporate plan helps authority realize high revenue performance (mean =4.23 and Sd= 0.89) and lastly respondents agreed that standardized monitoring and evaluation on authority's strategic initiatives helps KRA to increase revenue collection (mean =4.33 and Sd= 0.89).

The study findings revealed that majority of the respondents (86.6%) were of the opinion that Standardized monitoring and evaluation on authority's strategic initiatives helps KRA to increase revenue collection. This implies that without Standardized monitoring and evaluation there would be poor revenue collects. The factors that affect revenue collection are integrity issues, politics, economic issues, social issues, technical advancements, environmental analysis and legal analysis.

Inferential Findings and Discussions

Table 4.5: Correlation Table

		Implementation strategy	Revenue collection
Implementation strategy	Pearson Correlation	1	.403**
	Sig. (2-tailed)		.000
Revenue collection	Pearson Correlation	.403**	1
	Sig. (2-tailed)	.000	

From Pearson Correlation the study results indicated that communication strategy, implementation strategy, evaluation strategy were positively correlated with and revenue collection ($r = 0.403$; $p < 0.05$) respectively. This means that the more the

efficient the communication strategy, implementation strategy and evaluation strategy the more revenue collections. This implies that KRA should adopt efficient strategies in order to increase revenue collection.

Table 4.6 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.561	.314	.303	.55283

From the study results the coefficient of correlation coefficient (R) and determination (R^2) shows the degree of association between corporate planning and revenue collection at Kenya revenue authority. The results in table 4.6 on model summary indicated that $R = 0.561$ and $R^2 = 0.314$. R value gives an indication that there is a linear relationship between

corporate planning and revenue collection at Kenya revenue authority. The R^2 indicates that explanatory power of the independent variables is 0.314. This means that about 31.4% of the variation in revenue collection is explained by the regression model. This implies that the data that had been employed in the regression model were accurate.

Table 4.7 ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	25.763	3	8.588	28.099	.000
	Residual	56.234	184	.306		
	Total	81.998	187			

The ANOVA (table 4.10) for the regression F test provides an overall test of significance of the fitted regression model. The F value indicates that all the variables in the equation are important hence the overall regression is significant. The F-statistics produced (F = 28.099) was significant at p=0.05 thus

confirming the fitness of the model and therefore, there is statistically significant relationship between corporate planning and revenue collection at Kenya revenue authority. This means that at least one of the independent variables is a significant predictor of the dependent variable.

Table 4.8 Regression Analysis

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.957	.373		2.566	.011
Implementation strategy	.182	.084	.163	2.157	.032

From the findings in table 4.8 the study found that with a constant revenue collection of 0.957 a unit increase in communication strategy will cause a 0.336 increase in revenue collection, a unit increase in implementation strategy will lead to 0.163 increase in revenue collection and a unit increase in evaluation strategy will lead to an increase in revenue collection by 0.223. This represented in the following equation;

$Y = 0.957 + 0.336x_1 + 0.163x_2 + 0.223x_3$, translating to;

Revenue Collection = 0.957 + + 0.163 (implementation strategy)

These results implied that Implementation strategy and evaluation strategy was also important in revenue collection contributing 22.3%.

4.6 Hypotheses Testing

The null hypothesis postulated that implementation strategy has no significant effect on revenue collection. The findings indicated that there was a positive and significant effect. The study rejected the null hypothesis because there was a statistical significant effect of Implementation strategy on revenue collection at Kenya Revenue Authority (t=2.157, p=0.032). This gives implication that by adopting strategy implementation the organization can organize budget, motivate, build culture, supervising and leading, to make the strategy work as intended to collect revenue. It embraces all the actions that are necessary to put a strategy into

practice. Activities of KRA such as maintaining proper up to date policy manual, availing adequate financial resource and commitment in supporting implementing strategic objectives through human resource training and development programs which adequately support strategy implementation initiatives.

The study findings was in agreement with study done by Cater and Pucko (2010) which indicated that strategy implementation embraces all the actions that are necessary to put a strategy into practice. These actions are divided into leadership, organizational and functional implementation. Strategy implementation therefore is the sum total of all activities and choices required for execution of a strategic plan. It is the process by which objectives, strategies and policies are put into action through the development of programs, budgets and procedures. The first step in implementing a strategy is for the management to communicate the case for organizational change clearly and persuasively to organizational members. This is to ensure that a determined commitment takes hold throughout the ranks, to find ways to put the strategy into place, make it work and meet performance targets.

Further the study concur with findings of Zubcic and Sims, (2011) who noted that implementation strategies help increase accountability enhancement in information systems which measure how inputs are used to produce outputs; watchdog organizations, health boards or other civic

organizations to demand explanation of results; performance incentives to reward good performance; and sanctions for poor performance. Enforcement is viewed as any actions taken by regulators to ensure compliance with laws.

5.0 Summary of Findings, Conclusion and Recommendations

Summary of the findings

Based on the responses of the study, the researcher summarized the findings below.

From objective of the study findings indicated that implementation strategy has an effect on revenue collection at Kenya Revenue Authority. This was noted through activities of KRA such as maintaining proper up to date policy manual, availing adequate financial resource and commitment in supporting implementing strategic objectives through human resource training and development programs which adequately support strategy implementation initiatives. This gives implication that by adopting strategy implementation the organization can organize budget, motivate, build culture, supervising and leading, to make the strategy work as intended to collect revenue. It embraces all the actions that are necessary to put a strategy into practice. The management can communicate the case for

organizational change clearly and persuasively to organizational members.

Conclusions

The study concluded that revenue collection at Kenya Revenue Authority is affected positively implementation strategy. This implies that by adopting strategy implementation the organization can organize budget, motivate, build culture, supervising and leading, to make the strategy work as intended to collect revenue. It embraces all the actions that are necessary to put a strategy into practice.

Recommendation

Based on the findings the study recommends that: KRA should efficiently use the adopted strategy implementation the organization in order to effectively organize budget, motivate, build culture, supervise and lead, to make the strategy work as intended to collect revenue. They should embrace all the actions that are necessary to put a strategy into practice. The management should clearly communicate the adopted implementation strategy for organizational change and persuasively to staff members. This is to ensure that a determined commitment takes hold throughout the ranks, to find ways to put the strategy into place, make it work and meet performance targets.

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